

Hall, Jennifer Lynne / Depo Vol. 2 12/6/2012 9:01:00 AM

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1 JENNIFER L. HALL
2 IN THE UNITED STATES DISTRICT COURT
3 FOR THE DISTRICT OF NEW MEXICO
4 CASE NUMBER: 1:12-cv-00257-JB-LFG
5 -----X
6 SECURITIES AND EXCHANGE :
7 COMMISSION, :
8 Plaintiff, :
9 v. :
10 LARRY A. GOLDSTONE, CLARENCE :
11 G. SIMMONS, III, and JANE :
12 E. STARRETT, :
13 Defendants. :
14 -----X
15 VOLUME II
16 Video deposition of JENNIFER L. HALL
17 (Taken by Defendants, Larry A. Goldstone
18 and Clarence G. Simmons, III)
19 Charlotte, North Carolina
20 December 6, 2012
21
22 Job Number: 55246
23 Reported by: Andrea Nobrega
24 Court Reporter
25 Notary Public

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1 JENNIFER L. HALL

2 questions. I don't specifically remember if we

3 asked that exact question of him or not.

4 Q. And Ms. Hall, how would this -- how

5 would this Citi letter notifying Thornburg that it

6 was in breach and that Citi had the right to

7 declare an event of default, how would that have

8 impacted your other than temporary impairment

9 analysis?

10 MR. LEE: Objection to form.

11 THE WITNESS: It's an indicator that the

12 company is not in a position where it has the

13 ability to meet its obligations, which raises

14 questions as to whether they have the ability to

15 hold their assets, which would be a significant

16 factor for the OTTI analysis.

17 BY MR. MCKENNA:

18 Q. And how about the going concern

19 analysis, how would this letter impact your going

20 concern analysis?

21 MR. LEE: Objection.

22 THE WITNESS: In the same way. It's a

23 significant factor and indicator that the company

24 was not able to meet its obligations as they come

25 due.

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2 BY MR. MCKENNA:

3 Q. And Ms. Hall, would it be inconsistent

4 to say that Thornburg had the intent and ability

5 to hold its purchased ARM assets in late 2008,

6 given the breach declared in the Citi reservation

7 of rights letter?

8 MR. LEE: Objection to form.

9 MR. MCKENNA: You can answer.

10 THE WITNESS: Yes, it's inconsistent.

11 BY MR. MCKENNA:

12 Q. And would it be inconsistent to say that

13 Thornburg had the intent and ability to hold its

14 purchased ARM assets in this period if Thornburg

15 had breached other repo agreements, such that the

16 lender had the right to seize and sell the assets

17 it held as collateral?

18 MR. LEE: Objection to form.

19 THE WITNESS: Yes, it's inconsistent.

20 BY MR. MCKENNA:

21 Q. Did you ask Mr. Goldstone questions

22 during the restatement that you believe should

23 have caused him to show you this letter?

24 A. I don't remember specific conversations

25 with Mr. Goldstone during the restatement.